

8 May 2009

Australian Securities Exchange Limited
Company Announcements Office
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs

Galoc Operations Update

Further to our announcement of 7 May 2009, Nido Petroleum Limited (Nido) has been advised by the Galoc operator, Galoc Production Company WLL (GPC), that the FPSO, 'The Rubicon Intrepid', was safely disconnected from the mooring and riser system at 19:00 hours of the same date.

The disconnection was executed as per an upgraded set of procedures set in place by GPC and Rubicon Offshore International (ROI), the FPSO owner. The decision to disconnect followed continuous monitoring and assessment of the situation offshore to avoid increasing the risk of damage to the facilities as weather conditions at site continued to deteriorate. The mooring and riser system has been laid down on the sea floor and the Rubicon Intrepid along with its support vessel remain near the field location and will reconnect once local weather conditions are suitable.

Whilst Typhoon Chan-Hom (Emong) was upgraded to a category 2 typhoon by the Philippines Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) yesterday, it continued to move away from the field and has weakened overnight to a tropical storm after it crossed the coast of the Philippines island of Luzon.

Nido will advise the market when the FPSO has reconnected and production has recommenced.

Yours sincerely



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